NEWS RELEASE

WWW.TN.GOV/ECD



COMMUNICATIONS OFFICE 312 ROSA L. PARKS AVENUE NASHVILLE, TENNESSEE 37243-1102

FOR IMMEDIATE RELEASE

September 4, 2013

Media Contact: Jennifer McEachern, ECD

Office: (615) 253-1852

Email: jennifer.mceachern@tn.gov

GOVERNOR HASLAM, COMMISSIONER HAGERTY ANNOUNCE ARC AUTOMOTIVE, INC. TO EXPAND KNOXVILLE OPERATIONS

Airbag Inflator Manufacturer to Invest \$3 Million, Create 115 New Jobs in Knox County

NASHVILLE – Tennessee Gov. Bill Haslam and Economic and Community Development Commissioner Bill Hagerty along with ARC Automotive, Inc. officials announced today the company will expand its existing Knoxville, Tenn. location. The expansion, necessitated by the company's growing domestic and international customer base, represents an investment of \$3 million and will create 115 new jobs in Knox County.

"Continued investment by companies like ARC Automotive plays a big part in the momentum and success of Tennessee's automotive industry," Haslam said. "ARC has been in Knoxville for more than 20 years, and we are grateful for the company's ongoing commitment."

"Tennessee's automotive sector is stronger than ever, and we have our incumbent industries to thank for contributing to this momentum," Hagerty said. "Fast-growing, forward-thinking companies like ARC Automotive not only see the benefits of doing business in Tennessee, but also focus their efforts to return high quality manufacturing jobs from overseas markets. I appreciate ARC Automotive's decision to further invest in our state and wish them much continued success in the future."

ARC Automotive is a global manufacturer of inflator products for airbag applications including driver, passenger, side and curtain automotive airbag inflators. The company, headquartered in Knoxville, has offices in Japan and Korea and manufacturing facilities in China and Mexico.

"ARC has a long-standing presence in Knoxville with manufacturing and engineering operations located here since 1992," ARC Automotive, Inc. Vice President of Human Resources Gabe Bucca said. "ARC chose Knoxville for the expansion due in large part to its familiarity with the area labor market and continued dedication and hard work of its employees. We value our relationship with the state of Tennessee, TVA and our local partners in Knoxville and thank them for helping this project become a reality."

Recently named by Business Facilities magazine as the No. 1 state in the nation for automotive manufacturing strength for a fourth consecutive year, Tennessee is home to more than 900 automotive-related companies, including ARC Automotive.

"I'm pleased that ARC Automotive, a longtime Knoxville manufacturer, is adding jobs and new equipment to its Third Creek airbag component manufacturing operations," Knoxville Mayor Madeline Rogero said. "This expansion validates that Knoxville continues to be a strong location for the automotive sector."

"ARC Automotive's expansion of their existing plant in Knox County is good news and I'm confident that they will continue to see success in this highly competitive industry," Knox County Mayor Tim Burchett said. "Our low taxes and conservative fiscal management make Knox County a great place to do business."

The Knoxville plant, located at 1611 Third Creek Road, specializes in research, engineering, prototype and production. The company plans to fill the majority of the new positions within the first year of the expansion.

"TVA and Knoxville Utilities Board are pleased to partner with the state of Tennessee and the Knoxville Chamber economic development team to help facilitate ARC Automotive's expansion that brings jobs and prosperity to local communities," TVA Senior Vice President of Economic Development John Bradley said.

"Automotive component manufacturing is a target sector of the Innovation Valley, and ARC's expansion validates our workforce, location and business climate," Rhonda Rice, executive vice president, Knoxville Chamber of Commerce, said.

About the Tennessee Department of Economic and Community Development

The Tennessee Department of Economic and Community Development's mission is to develop strategies which help make Tennessee the No. 1 location in the Southeast for high quality jobs. The department seeks to attract new corporate investment in Tennessee and works with Tennessee companies to facilitate expansion and economic growth. Find us on the web: tn.gov/ecd. Follow us on Twitter: tennessee companies to facilitate expansion and economic growth. Find us on the web: tennessee companies to facilitate expansion and economic growth. Find us on the web: tennessee companies to facilitate expansion. Like us on Facebook: tennessee companies to facilitate expansion.